

Paul R. Glassman (SBN 76536)
STRADLING YOCCA CARLSON & RAUTH, P.C.
10100 Santa Monica Boulevard, Suite 1400
Los Angeles, CA 90401
Telephone: (424) 214-7000
Facsimile: (424) 214-7010
Email: pglassman@sycr.com

Mia S. Brown (SBN 242268)
General Counsel
SOUTH SAN JOAQUIN IRRIGATION DISTRICT
11011 E. Highway 120
Manteca, CA 95336
Telephone: (209) 249-4600
Facsimile: (209) 249-4692
Email: mbrown@ssjid.com

Attorneys for Creditor and Party-In-Interest
SOUTH SAN JOAQUIN IRRIGATION DISTRICT

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In Re:
PG&E CORPORATION
- and -
**PACIFIC GAS AND ELECTRIC
COMPANY,**
Debtors.

Bankruptcy Case No. 19 - 30088 (DM)

Chapter 11

Lead Case

Jointly Administered

**APPENDIX OF PLAN EXCERPTS IN
SUPPORT OF SOUTH SAN JOAQUIN
IRRIGATION DISTRICT'S (A) OBJECTION
TO DEBTORS' AND SHAREHOLDER
PROONENTS' JOINT CHAPTER 11 PLAN
OF REORGANIZATION DATED MARCH
16, 2020 AS AMENDED (DOCKET NO. 6320)
AND (B) OBJECTION TO CURE AMOUNTS
AND OTHER MATTERS PERTAINING TO
ASSUMPTION PURSUANT TO SECTION
365(B)(1) OF THE BANKRUPTCY CODE
(DOCKET NO. 7037)**

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors

Judge: Hon. Dennis Montali

Date: May 27, 2020

Time: 10:00 a.m.

Place: United States Bankruptcy Court
450 Golden Gate Ave., 16th Flr, Crt. 17
San Francisco, CA 94102

Reply Deadline: May 22, 2020 at 4:00 p.m. (PT)

**All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

**TO THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY
JUDGE, AND ALL PARTIES IN INTEREST:**

South San Joaquin Irrigation District (the “District”) hereby files this Appendix of Plan Excerpts in support of *the South San Joaquin Irrigation District’s (A) Objection to Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated March 16, 2020 (Docket No. 6320) and (B) Objection to Cure Amounts and Other Matters Pertaining to Assumption of Executory Contracts Pursuant to Section 365(b)(1) of the Bankruptcy Code (Docket No. 7037)* (the “Objection”), which is being filed concurrently.

The Objection identifies certain provisions of the *Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated March 16, 2020* (Docket No. 6320) (the “Plan”) and *Notice of Filing of Plan Supplement in Connection with Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated March 16, 2020* (Docket No. 7037) (“EC Supplement”) that are objectionable for the reasons set forth therein.

For ease of reference, attached hereto are true and correct copies of the pages of the Plan and the EC Supplement that contain the following Sections of the Plan and paragraphs of the Schedule of Executory Contracts and Unexpired Leases to be Assumed Pursuant to the Plan and Proposed Cure Amounts, which is Exhibit B to the EC Supplement (“Cure Notice”):

- Section 1.21 defining “Cause of Action”
- Section 5.9 entitled “Satisfaction of Claims”
- Section 6.1 entitled “General Settlement of Claims and Interests”
- Section 8.1(c), which is in Section 8.1 entitled “General Treatment”
- Section 8.2(e), which is in Section 8.2 entitled “Determination of Cure Disputes and Deemed Consent”
- Section 10.3 entitled “Release and Discharge of Debtors”
- Section 10.6 entitled “Injunction”
- Section 10.8 entitled “Exculpation”
- Section 10.9(b) entitled “Releases by Holders of Claims and Interests”

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- Section 10.9(e) entitled “Waiver of Statutory Limitations on Releases”
- Section 10.9(f) entitled “Injunction Related to Releases and Exculpation”
- Section 10.13 entitled “Special Provisions for Governmental Units”
- Paragraph 8 of the Cure Notice discussing release and satisfaction
- Paragraph 13 of the Cure Notice entitled “Other Indemnification Obligations”

DATED: May 15, 2020

STRADLING YOCCA CARLSON & RAUTH
A PROFESSIONAL CORPORATION

By: /s/ Paul R. Glassman
Paul R. Glassman
Attorneys for Party-in-Interest,
South San Joaquin Irrigation District

1 WEIL, GOTSHAL & MANGES LLP
Stephen Karotkin (*pro hac vice*)
2 (stephen.karotkin@weil.com)
Ray C. Schrock, P.C. (*pro hac vice*)
3 (ray.schrock@weil.com)
Jessica Liou (*pro hac vice*)
4 (jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
5 (matthew.goren@weil.com)
767 Fifth Avenue
6 New York, NY 10153-0119
Tel: 212 310 8000
7 Fax: 212 310 8007

8 KELLER BENVENUTTI KIM LLP
Tobias S. Keller (#151445)
9 (tkeller@kbbkllp.com)
Jane Kim (#298192)
10 (jkim@kbbkllp.com)
650 California Street, Suite 1900
11 San Francisco, CA 94108
Tel: 415 496 6723
12 Fax: 650 636 9251

13 *Attorneys for Debtors*
14 *and Debtors in Possession*

JONES DAY
Bruce S. Bennett (SBN 105430)
(bbennett@jonesday.com)
Joshua M. Mester (SBN 194783)
(jmester@jonesday.com)
James O. Johnston (SBN 167330)
(jjohnston@jonesday.com)
555 South Flower Street
Fiftieth Floor
Los Angeles, CA 90071-2300
Tel: 213 489 3939
Fax: 213 243 2539

Attorneys for Shareholder Proponents

15 **ALL HOLDERS OF CLAIMS AND INTERESTS ARE ENCOURAGED TO READ THE PLAN AND**
16 **THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR**
REJECT THE PLAN.

17 **UNITED STATES BANKRUPTCY COURT**
18 **NORTHERN DISTRICT OF CALIFORNIA**
19 **SAN FRANCISCO DIVISION**

20 **In re:**

21 **PG&E CORPORATION,**

22 **- and -**

23 **PACIFIC GAS AND ELECTRIC COMPANY,**

24 **Debtors.**

- 25 ☐ Affects PG&E Corporation
26 ☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

27 ** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11

(Lead Case)
(Jointly Administered)

**DEBTORS' AND SHAREHOLDER
PROONENTS' JOINT CHAPTER 11 PLAN OF
REORGANIZATION DATED MARCH 16, 2020**

extent of any reference withdrawal made under section 157(d) of title 28 of the United States Code, the District Court.

1.16 Bankruptcy Rules means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, applicable to the Chapter 11 Cases, and any Local Rules of the Bankruptcy Court.

1.17 Business Day means any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

1.18 CAISO means the California Independent System Operator Corporation.

1.19 Cash means legal tender of the United States of America.

1.20 Cash Management Order means the *Final Order Pursuant to 11 U.S.C. §§ 105(a), 345(b), 363(b), and 363(c), and Fed. R. Bankr. P.6003 and 6004 (i) Authorizing Debtors to (a) Continue Their Existing Cash Management System, (b) Honor Certain Prepetition Obligations Related to the Use Thereof, (c) Continue Intercompany Arrangements, (d) Continue to Honor Obligations Related to Joint Infrastructure Projects, and (e) Maintain Existing Bank Accounts and Business Forms; and (ii) Waiving the Requirements of 11 U.S.C. § 345(b), dated March 13, 2019 [Docket No. 881].*

1.21 Cause of Action means, without limitation, any and all actions, class actions, proceedings, causes of action, controversies, liabilities, obligations, rights, rights of setoff, recoupment rights, suits, damages, judgments, accounts, defenses, offsets, powers, privileges, licenses, franchises, Claims, Avoidance Actions, counterclaims, cross-claims, affirmative defenses, third-party claims, Liens, indemnity, contribution, guaranty, and demands of any kind or character whatsoever, whether known or unknown, asserted or unasserted, reduced to judgment or otherwise, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, secured or unsecured, assertable directly or derivatively, existing or hereafter arising, in contract or in tort, in law, in equity, or otherwise, whether arising under the Bankruptcy Code or any applicable nonbankruptcy law, based in whole or in part upon any act or omission or other event occurring on or prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date. Without limiting the generality of the foregoing, when referring to Causes of Action of the Debtors or their estates, Causes of Action shall include (a) all rights of setoff, counterclaim, or recoupment and Claims for breach of contracts or for breaches of duties imposed by law or equity; (b) the right to object to any Claim or Interest; (c) Claims (including Avoidance Actions) pursuant to section 362 and chapter 5 of the Bankruptcy Code, including sections 510, 542, 543, 544 through 550, or 553; (d) Claims and defenses such as fraud, mistake, duress, usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any Claims under any state or foreign law, including any fraudulent transfer or similar claims.

1 their successors or assigns one year from the later of (a) the Effective Date and (b) the date that is ten
2 (10) Business Days after the date a Claim is first Allowed, and all claims of any other Entity (including
3 the holder of a Claim in the same Class) to such distribution shall be discharged and forever barred.
4 The Reorganized Debtors and the Disbursing Agent shall have no obligation to attempt to locate any
holder of an Allowed Claim other than by reviewing the Debtors' books and records and filings with
the Bankruptcy Court.

5 **5.9 Satisfaction of Claims.** Unless otherwise provided herein, any distributions
6 and deliveries to be made on account of Allowed Claims under this Plan shall be in complete and final
satisfaction, settlement, and discharge of and exchange for such Allowed Claims.

7 **5.10 Fractional Stock.** No fractional shares or Interests of New HoldCo Common
8 Stock shall be distributed. If any distributions of New HoldCo Common Stock pursuant to the Plan
9 or the Plan Documents would result in the issuance of a fractional share or Interest of New HoldCo
10 Common Stock, then the number of shares or Interests of New HoldCo Common Stock to be issued
11 in respect of such distribution shall be calculated to one decimal place and rounded up or down to the
12 closest whole share or Interest (with a half share or Interest or greater rounded up and less than a half
13 share or Interest rounded down). The total number of shares or Interests of New HoldCo Common
14 Stock, as applicable, to be distributed in connection with the Plan shall be adjusted as necessary to
15 account for the rounding provided for in this Section 5.10. No consideration shall be provided in lieu
of fractional shares or Interests that are rounded down. Neither the Reorganized Debtors nor the
Disbursing Agent shall have any obligation to make a distribution that is less than (1) share or Interest
of New HoldCo Common Stock. Any New HoldCo Common Stock that is not distributed in
accordance with this Section 5.10 shall be returned to, and ownership thereof shall vest in, Reorganized
HoldCo.

16 **5.11 Manner of Payment under Plan.** Except as specifically provided herein, at
17 the option of the Debtors or the Reorganized Debtors, as applicable, any Cash payment to be made
18 under this Plan may be made by check, ACH, wire transfer, or any other method agreed between the
Debtors or Reorganized Debtors and the holder of the Claim.

19 **5.12 No Distribution in Excess of Amount of Allowed Claim.** Notwithstanding
20 anything to the contrary in this Plan, no holder of an Allowed Claim shall receive, on account of such
21 Allowed Claim, distributions in excess of the Allowed amount of such Claim, except to the extent that
payment of postpetition interest on such Claim is specifically provided for by the Plan, the
Confirmation Order, or another order of the Bankruptcy Court or required by the Bankruptcy Code.

22 **5.13 Setoffs and Recoupments.** Each Debtor or Reorganized Debtor, as applicable,
23 or such Entity's successor or designee, may, pursuant to section 553 of the Bankruptcy Code or
24 applicable nonbankruptcy law, offset or recoup against any Allowed Claim and the distributions to be
25 made pursuant to this Plan on account of such Allowed Claim any and all Claims, rights, and Causes
26 of Action that such Debtor or Reorganized Debtor or its successors may hold against the holder of
27 such Allowed Claim; *provided*, that neither the failure to effect a setoff or recoupment nor the
allowance of any Claim hereunder will constitute a waiver or release by a Debtor or Reorganized
Debtor or its successor of any Claims, rights, or Causes of Action that any such entity or its successor
or designee may possess against such holder.

1 **5.16 Credit for Distributions under Wildfire Assistance Program.** If a holder of
2 an Allowed Fire Claim has received or will receive any distribution from the Wildfire Assistance
3 Program, such distribution shall be credited against any distribution to be made on account of such
4 holder's Fire Claim under this Plan and in accordance with the terms of the Wildfire Trust Agreements.

5 **ARTICLE VI.**

6 **MEANS FOR IMPLEMENTATION AND EXECUTION OF THE PLAN**

7 **6.1 General Settlement of Claims and Interests.** The Plan shall be deemed a
8 motion to approve a good-faith compromise and settlement pursuant to which the Debtors and the
9 holders of Claims against and/or Interests in the Debtors settle all Claims, Interests, and Causes of
10 Action pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in
11 consideration for the classification, distributions, releases, and other benefits provided under the Plan,
12 on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and
13 settlement of all Claims and Interests and controversies resolved pursuant to the Plan. The
14 Confirmation Order shall constitute the Court's approval of the compromise, settlement, and release
15 of all such Claims, Interests, and Causes of Action, as well as a finding by the Bankruptcy Court that
16 all such compromises, settlements, and releases are mutual and bi-directional and are in the best
17 interests of the Debtors, their estates, and the holders of Claims, Interests, and Causes of Action, and
18 is fair, equitable, and reasonable. Except as otherwise provided in the Wildfire Trust Agreements and
19 the Claims Resolution Procedures, in accordance with the provisions of the Plan, pursuant to section
20 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order,
21 or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors, may
22 compromise and settle all Claims and Causes of Action against, and Interests in, the Debtors and their
23 estates. The compromises, settlements, and releases described herein shall be deemed nonseverable
24 from each other and from all other terms of the Plan.

25 **6.2 Restructuring Transactions; Effectuating Documents.**

26 (a) Following the Confirmation Date or as soon as reasonably practicable
27 thereafter, the Debtors or the Reorganized Debtors, as applicable, may take all actions as may be
28 necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or
29 necessary to effectuate the Plan or to obtain any of the Plan Funding (collectively, the "**Restructuring
30 Transactions**"), including (i) the execution and delivery of appropriate agreements or other
31 documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer,
32 arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are
33 consistent with the terms of the Plan, (ii) the execution and delivery of appropriate instruments of
34 transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or
35 obligation on terms consistent with the terms of the Plan, (iii) the filing of appropriate certificates or
36 articles of incorporation, reincorporation, merger, consolidation, conversion, amalgamation,
37 arrangement, continuance, or dissolution pursuant to applicable state or federal law, (iv) the execution
38 and delivery of the Plan Documents, (v) the issuance of securities, all of which shall be authorized and
39 approved in all respects in each case without further action being required under applicable law,
40 regulation, order, or rule (except such filings, approvals and authorizations as may be required,

renewable energy power purchase agreements, and Community Choice Aggregation servicing agreements of the Debtors shall be deemed assumed.

(c) Subject to the occurrence of the Effective Date, entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the assumptions, assumptions and assignments, or rejections provided for in this Plan pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each executory contract and unexpired lease assumed pursuant to this Plan shall vest in, and be fully enforceable by, the applicable Reorganized Debtor in accordance with its terms, except as modified by the provisions of this Plan, any order of the Bankruptcy Court authorizing and providing for its assumption or assumption and assignment, or applicable law.

8.2 Determination of Cure Disputes and Deemed Consent.

(a) Any monetary defaults under an assumed or assumed and assigned executory contract or unexpired lease, shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount, as reflected in the applicable cure notice, in Cash on the Effective Date, subject to the limitations described below, or on such other terms as the parties to such executory contracts or unexpired leases and the Debtors may otherwise agree.

(b) At least fourteen (14) days before the deadline set to file objections to confirmation of the Plan, the Debtors shall distribute, or cause to be distributed, assumption and cure notices to the applicable third parties. **Any objection by a counterparty to an executory contract or unexpired lease to the proposed assumption, assumption and assignment, or related Cure Amount must be filed, served, and actually received by the Debtors before the deadline set to file objections to confirmation of the Plan.** Any counterparty to an executory contract or unexpired lease that fails to object timely to the proposed assumption, assumption and assignment, or Cure Amount will be deemed to have assented to such assumption, assumption and assignment, or Cure Amount. Notwithstanding anything herein to the contrary, in the event that any executory contract or unexpired lease is removed from the Schedule of Rejected Contracts after such fourteen (14)-day deadline, a cure notice with respect to such executory contract or unexpired lease will be sent promptly to the counterparty thereof and a noticed hearing set to consider whether such executory contract or unexpired lease can be assumed or assumed and assigned, as applicable.

(c) In the event of an unresolved dispute regarding (i) any Cure Amount, (ii) the ability of the Reorganized Debtors or any assignee to provide “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under the executory contract or unexpired lease to be assumed, or (iii) any other matter pertaining to assumption, assumption and assignment, or the Cure Amounts required by section 365(b)(1) of the Bankruptcy Code, such dispute shall be resolved by a Final Order (which order may be the Confirmation Order).

(d) If the Bankruptcy Court makes a determination regarding any of the matters set forth in Section 8.2(c) above with respect to any executory contract or unexpired lease is greater than the amount set forth in the applicable cure notice, as set forth in Section 8.8(a) below, the Debtors or Reorganized Debtors, as applicable, shall have the right to alter the treatment of such executory contract or unexpired lease, including, without limitation, to add such executory contract or unexpired

1 lease to the Schedule of Rejected Contracts, in which case such executory contract or unexpired lease
2 shall be deemed rejected as of the Effective Date.

3 (e) Assumption or assumption and assignment of any executory contract or
4 unexpired lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any
5 Claims and Causes of Action against any Debtor or defaults by any Debtor arising under any assumed
6 executory contract or unexpired lease at any time before the date that the Debtors assume or assume
7 and assign such executory contract or unexpired lease, whether monetary or nonmonetary, including
8 all Claims arising under sections 503(b)(9) or 546(c) of the Bankruptcy Code, any defaults of
provisions restricting the change in control or ownership interest composition, or any other
bankruptcy-related defaults. Any proofs of Claim filed with respect to an executory contract or
unexpired lease that has been assumed or assumed and assigned shall be deemed disallowed and
expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

9 **8.3 Rejection Damages Claims.** In the event that the rejection of an executory
10 contract or unexpired lease hereunder results in damages to the other party or parties to such contract
11 or lease, any Claim for such damages, if not heretofore evidenced by a timely filed proof of Claim,
12 shall be forever barred and shall not be enforceable against the Debtors or the Reorganized Debtors,
13 or their respective estates, properties or interests in property, unless a proof of Claim is filed with the
14 Bankruptcy Court and served upon the Debtors or the Reorganized Debtors, as applicable, no later
than thirty (30) days after the later of (i) the Confirmation Date or (ii) the effective date of the rejection
of such executory contract or unexpired lease, as set forth on the Schedule of Rejected Contracts or
order of the Bankruptcy Court. The Confirmation Order shall constitute the Bankruptcy Court's
approval of the rejection of all the leases and contracts identified in the Schedule of Rejected Contracts.

15 **8.4 Survival of the Debtors' Indemnification Obligations.** Any and all
16 obligations of the Debtors pursuant to their corporate charters, agreements, bylaws, limited liability
17 company agreements, memorandum and articles of association, or other organizational documents
18 (including all Indemnification Obligations) to indemnify current and former officers, directors, agents,
19 or employees with respect to all present and future actions, suits, and proceedings against the Debtors
20 or such officers, directors, agents, or employees based upon any act or omission for or on behalf of
21 the Debtors shall remain in full force and effect to the maximum extent permitted by applicable law
22 and shall not be discharged, impaired, or otherwise affected by this Plan. All such obligations shall
be deemed and treated as executory contracts that are assumed by the Debtors under this Plan and shall
continue as obligations of the Reorganized Debtors. Any Claim based on the Debtors' obligations in
this Section 8.4 herein shall not be a Disputed Claim or subject to any objection, in either case, by
reason of section 502(e)(1)(B) of the Bankruptcy Code or otherwise.

23 **8.5 Assumption of Employee Benefit Plans.**

24 (a) On the Effective Date, all Employee Benefit Plans are deemed to be, and shall
25 be treated as, executory contracts under this Plan and, on the Effective Date, shall be assumed pursuant
26 to sections 365 and 1123 of the Bankruptcy Code. All outstanding payments which are accrued and
unpaid as of the Effective Date pursuant to the Employee Benefit Plans shall be made by the
Reorganized Debtors on the Effective Date or as soon as practicable thereafter.

9.5 Effect of Non-Occurrence of Effective Date. If the Effective Date does not occur on or before December 31, 2020, then: (a) the Plan will be null and void in all respects; and (b) nothing contained in the Plan or the Disclosure Statement shall: (i) constitute a waiver or release of any Claims, Interests, or Causes of Action by any Entity; (ii) prejudice in any manner the rights of any Debtor or any other Entity; or (iii) constitute an admission, acknowledgment, offer, or undertaking of any sort by any Debtor or any other Entity.

EFFECT OF CONFIRMATION

10.2 Vesting of Assets. Upon the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all assets and property of the Debtors shall vest in the Reorganized Debtors, as applicable, free and clear of all Claims, Liens, charges, and other interests, except as otherwise provided herein. The Reorganized Debtors may operate their businesses and use, acquire, and dispose of property free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules and in all respects as if there were no pending cases under any chapter or provision of the Bankruptcy Code, except as otherwise provided herein.

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Interest and any affiliate of such holder shall be deemed to have forever waived, released, and discharged the Debtors, to the fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all Claims, Interests, rights, and liabilities that arose prior to the Effective Date; *provided, however*, that any liability of the Debtors arising from any fire occurring after the Petition Date, including the Kincade fire, that has not been satisfied in full as of the Effective Date shall not be discharged, waived, or released. In addition, (a) from and after the Effective Date neither the automatic stay nor any other injunction entered by the Bankruptcy Court shall restrain the enforcement or defense of any claims for fires occurring after the Petition Date, including the Kincade fire or the Lafayette fire in any court that would otherwise have jurisdiction if the Chapter 11 Cases had not been filed and (b) no claims for fires or motions for allowance of claims for fires occurring after the Petition Date need to be filed in the Chapter 11 Cases. Upon the Effective Date, all such Persons shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim against or Interest in the Debtors.

10.4 Term of Injunctions or Stays. Unless otherwise provided herein or in a Final Order, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay. The Trading Order shall remain enforceable as to transfers through the Effective Date with respect to those persons having “beneficial ownership” of “PG&E Stock” (as such terms are defined in Trading Order). Accordingly, the Trading Order has no applicability or effect with respect to the trading of stock of Reorganized HoldCo after the Effective Date.

10.5 Injunction Against Interference with Plan. Upon entry of the Confirmation Order, all holders of Claims against and Interests in the Debtors and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan; *provided, that* nothing herein or in the Confirmation Order shall preclude, limit, restrict or prohibit any party in interest from seeking to enforce the terms of the Plan, the Confirmation Order, or any other agreement or instrument entered into or effectuated in connection with the consummation of the Plan.

10.6 Injunction.

(a) Except as otherwise provided in this Plan or in the Confirmation Order, as of the entry of the Confirmation Order but subject to the occurrence of the Effective Date, all Persons who have held, hold, or may hold Claims or Interests are, with respect to any such Claim or Interest, permanently enjoined after the entry of the Confirmation Order from: (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting, directly or indirectly, a Debtor, a Reorganized Debtor, or an estate or the property of any of the foregoing, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (i) or any property of any such transferee or successor; (ii) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any

judgment, award, decree, or order against a Debtor, a Reorganized Debtor, or an estate or its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (ii) or any property of any such transferee or successor; (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against a Debtor, a Reorganized Debtor, or an estate or any of its property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons mentioned in this subsection (iii) or any property of any such transferee or successor; (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Plan to the full extent permitted by applicable law; and (v) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of this Plan; *provided*, that nothing contained herein shall preclude such Persons who have held, hold, or may hold Claims against a Debtor or an estate from exercising their rights, or obtaining benefits, pursuant to and consistent with the terms of this Plan, the Confirmation Order, or any other agreement or instrument entered into or effectuated in connection with the consummation of the Plan.

(b) By accepting distributions pursuant to this Plan, each holder of an Allowed Claim will be deemed to have affirmatively and specifically consented to be bound by this Plan, including, the injunctions set forth in this Section.

10.7 Channeling Injunction.

(a) **The sole source of recovery for holders of Subrogation Wildfire Claims and Fire Victim Claims shall be from the Subrogation Wildfire Trust and the Fire Victim Trust, as applicable. The holders of such Claims shall have no recourse to or Claims whatsoever against the Reorganized Debtors or their assets and properties. Consistent with the foregoing, all Persons that have held or asserted, or that hold or assert any Subrogation Wildfire Claim or Fire Victim Claim shall be permanently and forever stayed, restrained, and enjoined from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payments, satisfaction, or recovery from any Reorganized Debtor or its assets and properties with respect to any Fire Claims, including all of the following actions:**

(i) **commencing, conducting, or continuing, in any manner, whether directly or indirectly, any suit, action, or other proceeding of any kind in any forum with respect to any such Fire Claim, against or affecting any Reorganized Debtor, or any property or interests in property of any Reorganized Debtor with respect to any such Fire Claim;**

(ii) **enforcing, levying, attaching, collecting or otherwise recovering, by any manner or means, or in any manner, either directly or indirectly, any judgment, award, decree or other order against any Reorganized Debtor or against the property of any Reorganized Debtor with respect to any such Fire Claim;**

(iii) **creating, perfecting, or enforcing in any manner, whether directly or indirectly, any Lien of any kind against any Reorganized Debtor or the property of any Reorganized Debtor with respect to any such Fire Claims;**

(iv) asserting or accomplishing any setoff, right of subrogation, indemnity, contribution, or recoupment of any kind, whether directly or indirectly, against any obligation due to any Reorganized Debtor or against the property of any Reorganized Debtor with respect to any such Fire Claim; and

(v) taking any act, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the Plan Documents, with respect to any such Fire Claim.

(b) **Reservations.** Notwithstanding anything to the contrary in this Section 10.7 of the Plan, this Channeling Injunction shall not enjoin:

(i) the rights of holders of Subrogation Fire Claims and Fire Victim Claims to the treatment afforded them under the Plan, including the right to assert such Claims in accordance with the applicable Wildfire Trust Agreements solely against the applicable Wildfire Trust whether or not there are funds to pay such Fire Claims; and

(ii) the Wildfire Trusts from enforcing their rights under the Wildfire Trust Agreements.

(c) **Modifications.** There can be no modification, dissolution, or termination of the Channeling Injunction, which shall be a permanent injunction.

(d) **No Limitation on Channeling Injunction.** Nothing in the Plan, the Confirmation Order, or the Wildfire Trust Agreements shall be construed in any way to limit the scope, enforceability, or effectiveness of the Channeling Injunction provided for herein and in the Confirmation Order.

(e) **Bankruptcy Rule 3016 Compliance.** The Debtors' compliance with the requirements of Bankruptcy Rule 3016 shall not constitute an admission that the Plan provides for an injunction against conduct not otherwise enjoined under the Bankruptcy Code.

10.8 Exculpation. Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, and except for the Assigned Rights and Causes of Action solely to the extent preserved by Section 10.9(g), no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Claim, Interest, obligation, suit, judgment, damage, demand, debt, right, Cause of Action, loss, remedy, or liability for any claim (including, but not limited to, any claim for breach of any fiduciary duty or any similar duty) in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the Public Entities Plan Support Agreements, the Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the Noteholder RSA, the Exit Financing Documents, the Plan Funding, the DIP Facilities, the Disclosure Statement, the Plan, the Restructuring Transactions, the Wildfire Trusts (including the Plan Documents, the Claims Resolution Procedures and the Wildfire Trust Agreements), or any agreement, transaction, or document related to any of the foregoing, or the solicitation of votes for, or confirmation of, this Plan; the funding of this Plan; the occurrence of the Effective Date;

the administration of this Plan or the property to be distributed under this Plan; any membership in (including, but not limited to, on an *ex officio* basis), participation in, or involvement with the Statutory Committees; the issuance of Securities under or in connection with this Plan; or the transactions in furtherance of any of the foregoing; except for Claims related to any act or omission that is determined in a Final Order by a court of competent jurisdiction to have constituted actual fraud or willful misconduct, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to this Plan. The Exculpated Parties and each of their respective affiliates, agents, directors, officers, employees, advisors, and attorneys have acted in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distributions pursuant to this Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of this Plan or such distributions made pursuant to this Plan, including the issuance of Securities thereunder. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

10.9 Releases.

(a) *Releases by the Debtors.* As of and subject to the occurrence of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce this Plan and the Plan Documents, and except for the Assigned Rights and Causes of Action solely to the extent preserved by Section 10.9(g), for good and valuable consideration, the adequacy of which is hereby confirmed, including, the service of the Released Parties to facilitate the reorganization of the Debtors, the implementation of the Restructuring, and except as otherwise provided in this Plan or in the Confirmation Order, the Released Parties are deemed forever released and discharged, to the maximum extent permitted by law and unless barred by law, by the Debtors, the Reorganized Debtors, and the Debtors' estates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Entities who may purport to assert any Cause of Action derivatively, by or through the foregoing Entities, from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, remedies, or liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Debtors' estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Reorganized Debtors, or the Debtors' estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the Fires, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in this Plan, the business or contractual arrangements between any Debtor and any Released Party, the DIP Facilities, the Plan Funding, the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the Restructuring Transactions, the Public Entities Plan Support Agreements, the Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the

1 Noteholder RSA, the Exit Financing Documents, the negotiation, formulation, or preparation of
2 the Disclosure Statement and this Plan and related agreements, instruments, and other
3 documents (including the Plan Documents, the Claims Resolution Procedures, the Wildfire
4 Trust Agreements, Public Entities Plan Support Agreements, the Backstop Commitment
5 Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the Noteholder RSA, and the
6 Exit Financing Documents), the solicitation of votes with respect to this Plan, any membership
(including, but not limited to, on an *ex officio* basis), participation in, or involvement with the
Statutory Committees, or any other act or omission, transaction, agreement, event, or other
occurrence, and in all respects such Entities shall be entitled to reasonably rely upon the advice
of counsel with respect to their duties and responsibilities pursuant to this Plan.

7 (b) *Releases by Holders of Claims and Interests.* As of and subject to the
8 occurrence of the Effective Date, except for the rights that remain in effect from and after the
9 Effective Date to enforce the Plan and the Plan Documents, and except for the Assigned Rights
10 and Causes of Action solely to the extent preserved by Section 10.9(g), for good and valuable
11 consideration, the adequacy of which is hereby confirmed, including, the service of the Released
12 Parties to facilitate the reorganization of the Debtors and the implementation of the
13 Restructuring, and except as otherwise provided in the Plan or in the Confirmation Order, the
14 Released Parties, are deemed forever released and discharged, to the maximum extent permitted
15 by law and unless barred by law, by the Releasing Parties from any and all claims, interests,
16 obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses,
17 remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on
18 behalf of the Debtors, and any claims for breach of any fiduciary duty (or any similar duty),
19 whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law,
20 equity, or otherwise, that such holders or their affiliates (to the extent such affiliates can be
21 bound) would have been legally entitled to assert in their own right (whether individually or
22 collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or
23 relating to, or in any manner arising from, in whole or in part, the Debtors, the Fires, the
24 Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the
25 Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving
26 rise to, any Claim or Interest that is treated in the Plan, the business or contractual
27 arrangements between any Debtor and any Released Party, the DIP Facilities, the Plan Funding,
28 the Restructuring, the restructuring of any Claim or Interest before or during the Chapter 11
Cases, the Restructuring Transactions, the Public Entities Plan Support Agreement, the
Backstop Commitment Letters, the Subrogation Claims RSA, the Tort Claimants RSA, the
Noteholder RSA, the Exit Financing Documents, the negotiation, formulation, or preparation of
the Disclosure Statement, the Plan and related agreements, instruments, and other documents
(including the Plan Documents, the Claims Resolution Procedures, the Wildfire Trust
Agreements, Public Entities Plan Support Agreements, the Backstop Commitment Letters, the
Subrogation Claims RSA, the Tort Claimants RSA, the Noteholder RSA, and the Exit Financing
Documents), the solicitation of votes with respect to the Plan, any membership in (including, but
not limited to, on an *ex officio* basis), participation in, or involvement with the Statutory
Committees, or any other act or omission, transaction, agreement, event, or other occurrence,
and in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel
with respect to their duties and responsibilities pursuant to the Plan. Notwithstanding the above,

1 the holders of Environmental Claims, Workers' Compensation Claims and 2001 Utility
2 Exchange Claims retain the right to assert such Claims against the Reorganized Debtors in
3 accordance with the terms of the Plan; and nothing herein shall be deemed to impose a release
4 by holders of Fire Victim Claims of insurance claims arising under their insurance policies
against holders of Subrogation Wildfire Claims, other than any rights such holder may elect to
release as part of any settlement as set forth in Section 4.25(f)(ii) hereof.

5 (c) *Only Consensual Non-Debtor Releases.* Except as set forth under Section
6 4.25(f)(ii) hereof, for the avoidance of doubt, and notwithstanding any other provision of this
7 Plan, nothing in the Plan is intended to, nor shall the Plan be interpreted to, effect a
8 nonconsensual release by a holder of a Claim in favor of a party that is not a Debtor, it being
9 acknowledged that such holder shall be deemed to release a party that is not a Debtor under the
10 Plan solely to the extent that such holder consensually elects to provide such Plan release in
accordance with the opt-in release procedures set forth herein or in any applicable Ballot. The
holder of a Claim shall receive the same amount of consideration under the Plan whether or not
such holder elects to release a party that is not a Debtor in accordance with the opt-in release
procedures set forth herein or in any applicable Ballot.

11 (d) *Release of Liens.* Except as otherwise specifically provided in the Plan or
12 in any contract, instrument, release, or other agreement or document created pursuant to the
13 Plan, including the Exit Financing Documents, on the Effective Date and concurrently with the
14 applicable distributions made pursuant to the Plan and, in the case of a Secured Claim,
15 satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date,
16 all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of
17 the estates shall be fully released and discharged, and all of the right, title, and interest of any
holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert
to the Reorganized Debtors and their successors and assigns, in each case, without any further
approval or order of the Bankruptcy Court and without any action or filing being required to
be made by the Debtors.

18 (e) *Waiver of Statutory Limitations on Releases.* Each releasing party in any
19 general release contained in the Plan expressly acknowledges that although ordinarily a general
20 release may not extend to claims which the releasing party does not know or suspect to exist in
21 his favor, which if known by it may have materially affected its settlement with the party
22 released, each releasing party has carefully considered and taken into account in determining to
23 enter into the above releases the possible existence of such unknown losses or claims. Without
24 limiting the generality of the foregoing, and solely with respect to any general release under this
25 Plan, each releasing party expressly waives any and all rights conferred upon it by any statute
26 or rule of law which provides that a release does not extend to claims which the claimant does
27 not know or suspect to exist in its favor at the time of executing the release, which if known by
28 it may have materially affected its settlement with the released party, including the provisions
of California Civil Code section 1542. The releases contained in this Article X of the Plan are
effective regardless of whether those released matters are presently known, unknown, suspected
or unsuspected, foreseen or unforeseen.

1 (f) **Injunction Related to Releases and Exculpation.** The Confirmation Order
2 shall permanently enjoin the commencement or prosecution by any Person or Entity, whether directly,
3 derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts,
4 rights, Causes of Action, losses, or liabilities released pursuant to this Plan, including, the claims,
5 obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities
6 released or exculpated in this Plan. For the avoidance of doubt, this injunction shall not apply to the
rights of the Fire Victims Trust to prosecute and settle any Assigned Rights and Causes of Action
solely to the extent provided for in the Plan. Notwithstanding the above, the holders of Environmental
Claims, Workers' Compensation Claims and 2001 Utility Exchange Claims retain the right to assert
such Claims against the Reorganized Debtors in accordance with the terms of the Plan.

7 (g) **No Release or Exculpation of Assigned Rights and Causes of Action.**
8 Notwithstanding any other provision of the Plan, including anything in Section 10.8 and/or 10.9, the
9 releases, discharges, and exculpations contained in this Plan shall not release, discharge, or exculpate
any Person from the Assigned Rights and Causes of Action.

10 **10.10 Subordination.** The allowance, classification, and treatment of all Allowed
11 Claims and Interests and the respective distributions and treatments thereof under this Plan take into
12 account and conform to the relative priority and rights of the Claims and Interests in each Class in
13 connection with any contractual, legal, and equitable subordination rights relating thereto, whether
14 arising under general principles of equitable subordination, sections 510(a), 510(b), or 510(c) of the
Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors reserve
the right to reclassify any Allowed Claim (other than any DIP Facility Claims) or Interest in
accordance with any contractual, legal, or equitable subordination relating thereto.

15 **10.11 Retention of Causes of Action/Reservation of Rights.**

16 (a) Except as otherwise provided in Section 10.9 hereof, nothing herein or in the
17 Confirmation Order shall be deemed to be a waiver or the relinquishment of any rights or Causes of
18 Action that the Debtors or the Reorganized Debtors may have or which the Reorganized Debtors may
19 choose to assert on behalf of their respective estates under any provision of the Bankruptcy Code or
20 any applicable nonbankruptcy law, including (i) any and all Claims against any Person or Entity, to
the extent such Person or Entity asserts a crossclaim, counterclaim, and/or Claim for setoff which
seeks affirmative relief against the Debtors, the Reorganized Debtors, or their officers, directors, or
representatives and (ii) for the turnover of any property of the Debtors' estates.

21 (b) Nothing herein or in the Confirmation Order shall be deemed to be a waiver or
22 relinquishment of any rights or Causes of Action, right of setoff, or other legal or equitable defense
23 that the Debtors had immediately prior to the Petition Date, against or with respect to any Claim left
24 unimpaired by the Plan. The Reorganized Debtors shall have, retain, reserve, and be entitled to assert
25 all such claims, Causes of Action, rights of setoff, and other legal or equitable defenses that they had
26 immediately prior to the Petition Date fully as if the Chapter 11 Cases had not been commenced, and
all of the Reorganized Debtors' legal and equitable rights with respect to any Claim left unimpaired
by the Plan may be asserted after the Confirmation Date to the same extent as if the Chapter 11 Cases
had not been commenced.

1 (c) The Reorganized Debtors reserve and shall retain the applicable Causes of
2 Action notwithstanding the rejection of any executory contract or unexpired lease during the Chapter
3 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any
4 Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors in
5 accordance with the terms hereof. The Reorganized Debtors shall have the exclusive right, authority,
6 and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise,
7 release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the
8 foregoing without the consent or approval of any third party or further notice to or action, order, or
9 approval of the Bankruptcy Court.

10 (d) Notwithstanding anything to the contrary in the Plan, no claims shall be brought
11 under Section 547 of the Bankruptcy Code to recover any payments made to any Person or Entity as
12 a result of damages caused by wildfires.

13 **10.12 Preservation of Causes of Action.** No Entity may rely on the absence of a
14 specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action
15 against them as any indication that the Debtors or the Reorganized Debtors will not pursue any and all
16 available Causes of Action against them. The Debtors and the Reorganized Debtors expressly reserve
17 all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly
18 provided herein.

19 **10.13 Special Provisions for Governmental Units.** Solely with respect to
20 Governmental Units, nothing herein shall limit or expand the scope of discharge, release, or injunction
21 to which the Debtors or the Reorganized Debtors are entitled under the Bankruptcy Code. Further,
22 nothing herein, including Sections 10.8 and 10.9 hereof, shall discharge, release, enjoin, or otherwise
23 bar (a) any liability of the Debtors or the Reorganized Debtors to a Governmental Unit arising on or
24 after the Confirmation Date with respect to events occurring on or after the Confirmation Date, (b) any
25 liability to a Governmental Unit that is not a Claim, (c) any valid right of setoff or recoupment of a
26 Governmental Unit, (d) any police or regulatory action by a Governmental Unit, (e) any environmental
27 liability to a Governmental Unit that the Debtors, the Reorganized Debtors, any successors thereto, or
28 any other Person or Entity may have as an owner or operator of real property after the Effective Date,
or (f) any liability to a Governmental Unit on the part of any Persons or Entities other than the Debtors
or the Reorganized Debtors, *provided*, that nothing in this Section 10.13 shall affect the Debtors'
releases in Section 10.9 hereof, nor shall anything herein enjoin or otherwise bar any Governmental
Unit from asserting or enforcing, outside the Bankruptcy Court, any of the matters described in clauses
(a) through (f) above.

10.14 Document Retention and Cooperation with the Fire Victim Trust. On and
after the Effective Date, the Reorganized Debtors may maintain documents in accordance with the
Debtors' standard document retention policy, as may be altered, amended, modified, or supplemented
by the Reorganized Debtors. The Debtors and the Reorganized Debtors shall respond to reasonable
requests of the Fire Victim Trust for any non-privileged information and documents related to the
Assigned Claims and Causes of Action and the Fire Victim Claims or as reasonably necessary for the
administration of the Fire Victim Trust.

WEIL, GOTSHAL & MANGES LLP
Stephen Karotkin (*pro hac vice*)
(stephen.karotkin@weil.com)
Ray C. Schrock, P.C. (*pro hac vice*)
(ray.schrock@weil.com)
Jessica Liou (*pro hac vice*)
(Jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
(matthew.goren@weil.com)
797 Fifth Avenue
New York, NY 10153-0119
Tel: 212 310 8000
Fax: 212 310 8007

JONES DAY
Bruce S. Bennett (SBN 105430)
(bbennett@jonesday.com)
Joshua M. Mester (SBN 194783)
(jmester@jonesday.com)
James O. Johnston (SBN 167330)
(jjohnston@jonesday.com)
555 South Flower Street
Fiftieth Floor
Los Angeles, CA 90071-2300
Tel: 213 489 3939
Fax: 213 243 2539

Attorneys for Shareholder Proponents

KELLER BENVENUTTI KIM LLP
Tobias S. Keller (#151445)
(tkeller@kbkllp.com)
Jane Kim (#298192)
(jkim@kbkllp.com)
650 California Street, Suite 1900
San Francisco, CA 94108
Tel: 415 496 6723
Fax: 650 636 9251
*Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors
** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11

(Lead Case)
(Jointly Administered)

**NOTICE OF FILING OF PLAN
SUPPLEMENT IN CONNECTION WITH
DEBTORS' AND SHAREHOLDER
PROONENTS' JOINT CHAPTER 11
PLAN OF REORGANIZATION DATED
MARCH 16, 2020**

Related Docket No. 6320

WEIL, GOTSHAL & MANGES LLP
Stephen Karotkin (*pro hac vice*)
(stephen.karotkin@weil.com)
Ray C. Schrock, P.C. (*pro hac vice*)
(ray.schrock@weil.com)
Jessica Liou (*pro hac vice*)
(jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
(matthew.goren@weil.com)
767 Fifth Avenue
New York, NY 10153-0119
Tel: 212 310 8000
Fax: 212 310 8007

*Attorneys for Debtors
and Debtors in Possession*

KELLER BENVENUTTI KIM LLP
Tobias S. Keller (#151445)
(tkeller@kbbkllp.com)
Jane Kim (#298192)
(jkim@kbbkllp.com)
650 California Street, Suite 1900
San Francisco, CA 94108
Tel: 415 496 6723
Fax: 650 636 9251

*Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Chapter 11 Case

No. 19-30088 (DM)

(Lead Case)

(Jointly Administered)

**SCHEDULE OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES TO BE ASSUMED
PURSUANT TO THE PLAN AND PROPOSED
CURE AMOUNTS**

(jmester@jonesday.com), and James O. Johnston. (jjohnston@jonesday.com); and (iii) the Standard Parties as set forth in the in the Case Management Order.

The Debtors encourage counterparties to contact their counsel listed in paragraph 7(g) above prior to filing any Objection.

8. Any counterparty to an Agreement that fails to timely file and serve an Objection as proscribed herein will be deemed to have assented to such assumption, assumption and assignment, and Cure Amount. Except as otherwise set forth in the Plan or the Confirmation Order, the assumption or assumption and assignment of any executory contract or unexpired lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims and Causes of Action against any Debtor or defaults by any Debtor arising under any assumed executory contract or unexpired lease at any time before the date that the Debtors assume or assume and assign such executory contract or unexpired lease, whether monetary or nonmonetary, including all Claims arising under sections 503(b)(9) or 546(c) of the Bankruptcy Code, any defaults of provisions restricting the change in control or ownership interest composition, or any other bankruptcy-related defaults. On the Effective Date of the Plan, any proofs of Claim filed with respect to an executory contract or unexpired lease that has been assumed, or assumed and assigned, under the Plan shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.

9. Timely filed and served Objections will be heard by the Bankruptcy Court at the Confirmation Hearing or on such later date as counsel can be heard. The Debtors may seek, in their discretion, to have any unresolved Objections adjourned to a date after the Confirmation Hearing.

10. If the Bankruptcy Court makes any determination with respect to any Objection in a manner the Debtors or Reorganized Debtors, in their sole discretion, view to be unfavorable, including but not limited to, a determination that a Cure Amount for any Agreement is greater than the amount set forth in the Schedule of Assumed Contracts, the Debtors or Reorganized Debtors, as applicable, shall have the right to alter the treatment of such Agreement in accordance with Section 8.8(a) of the Plan,

1 including, without limitation, the right to add such Agreement to the Schedule of Rejected Contracts, in
2 which case such Agreement shall be deemed rejected as of the Effective Date of the Plan.

3 **11. Power Purchase, Renewable Energy Power, and Community Choice Aggregation**
4 **Agreements.** Pursuant to Section 8.1(b) of the Plan, as of and subject to the occurrence of the Effective
5 Date of the Plan and the payment of any applicable Cure Amount, all power purchase agreements,
6 renewable energy power purchase agreements, and Community Choice Aggregation servicing
7 agreements of the Debtors shall be deemed assumed pursuant to the Plan.

8 **12. D&O Indemnification Obligations.** Pursuant to Section 8.4 of the Plan, any and all
9 obligations of the Debtors pursuant to their corporate charters, agreements, bylaws, limited liability
10 company agreements, memorandum and articles of association, or other organizational documents
11 (including all Indemnification Obligations) to indemnify current and former officers, directors, agents,
12 or employees with respect to all present and future actions, suits, and proceedings against the Debtors or
13 such officers, directors, agents, or employees based upon any act or omission for or on behalf of the
14 Debtors (collectively, the “**D&O Indemnity Obligations**”) shall remain in full force and effect to the
15 maximum extent permitted by applicable law and shall not be discharged, impaired, or otherwise affected
16 by the Plan. All such D&O Indemnity Obligations shall be deemed and treated as executory contracts
17 that are assumed by the Debtors under the Plan and shall continue as obligations of the Reorganized
18 Debtors. Any Claim based on the Debtors’ obligations in Section 8.4 of the Plan shall not be a Disputed
19 Claim or subject to any objection, in either case, by reason of section 502(e)(1)(B) of the Bankruptcy
20 Code or otherwise.

21 **13. Other Indemnification Obligations.** Except as set forth in Section 8.4 of the Plan with
22 respect to the D&O Indemnity Obligations, the assumption by the Debtors or Reorganized Debtors, as
23 applicable, of all other executory contracts or unexpired leases pursuant to the Plan shall result in the
24 full release and satisfaction of any and all contingent pre-petition indemnification obligations arising
25 under the terms of any such agreements and any proof of Claim premised on a pre-petition contractual
26 indemnification obligation alleged to be owed by the Debtors or Reorganized Debtors shall be deemed
27
28

1 disallowed and discharged on the Effective Date, without further notice to or action, order, or approval
2 of the Bankruptcy Court.

3 14. **Employee Benefit Plans.** On the Effective Date of the Plan, all Employee Benefit Plans
4 are deemed to be, and shall be treated as, executory contracts under the Plan and, on the Effective Date,
5 shall be assumed pursuant to sections 365 and 1123 of the Bankruptcy Code. All outstanding payments
6 which are accrued and unpaid as of the Effective Date of the Plan pursuant to the Employee Benefit
7 Plans shall be made by the Reorganized Debtors on the Effective Date or as soon as practicable
8 thereafter.

9 15. The deemed assumption of the Employee Benefit Plans pursuant to Section 8.5 of the
10 Plan shall result in the full release and satisfaction of any Claims and Causes of Action against any
11 Debtor or defaults by any Debtor arising under any Employee Benefit Plan at any time before the
12 Effective Date of the Plan. Any proofs of Claim filed with respect to an Employee Benefit Plan shall be
13 deemed disallowed and expunged, without further notice to or action, order, or approval of the
14 Bankruptcy Court.

15 16. Notwithstanding anything to the contrary in the Plan, the Reorganized Debtors shall
16 continue and assume the Pacific Gas and Electric Company Retirement Plan ("**Defined Benefit Plan**")
17 subject to the Employee Retirement Income Securities Act, the Internal Revenue Code, and any other
18 applicable law, including (i) the minimum funding standards in 26 U.S.C. §§ 412, 430, and 29 U.S.C.
19 §§ 1082, 1083 and (ii) premiums under 29 U.S.C. §§ 1306 and 1307. All proofs of claim filed by the
20 Pension Benefit Guaranty Corporation with respect to the Defined Benefit Plan are deemed withdrawn
21 on the Effective Date of the Plan.

22 17. **Collective Bargaining Agreements.** On or prior to the Effective Date of the Plan, and
23 subject to the occurrence of the Effective Date, the Reorganized Debtors shall assume the Collective
24 Bargaining Agreements.

25 18. **Insurance Policies.** Pursuant to Section 8.7 of the Plan, all Insurance Policies (including
26 all D&O Liability Insurance Policies and tail coverage liability insurance), surety bonds, and indemnity
27 agreements entered into in connection with surety bonds to which any Debtor is a party as of the Effective
28